

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

SMALL MINING OPERATIONS 2006 PROGRESS REPORT
January 1, 2006 to December 31, 2006

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: 5170038
2. Mine Name: Kaibab Gold - Millsite
3. Name of Operator/Permittee: Kaibab Industries

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: Township 31 South Range 12 E SW 1/4, SW 1/4, SE 1/4, Section 31
Township 32 S, Range 12 E, NW 1/4, NW 1/4, NE 1/4, Section 36
5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:

Gross Ore Mined _____ Tons, or _____ yd³
Waste Material Moved _____ Tons, or _____ yd³
New Disturbance _____ Acres during 2006
Area Reclaimed _____ Acres during 2006
Total Disturbed Area _____ Acres*

Was the ore shipped off site? If not, where is the ore located? no

Where is the waste located? N/A

*Total life of mine disturbance to the end of 2006.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

Site has been regraded and reseeded. Waiting for results of reseeding

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Melvin C Bushman

Title of Operator: ASST SEC/TREAS

Signature of Operator: Melvin C Bushman

Date: 01-25-07

RECEIVED

FEB 01 2007

DIV. OF OIL, GAS & MINING

pb
o:\forms\reports\MR-AR

Note: please apply attached check to the permit fee of \$150.1- due on this mine. It had not been paid per Paul Baker on 1-25-07 phone call

0001

"Division of Oil, Gas & Mining"

This portion MUST be returned with your payment to ensure proper credit. THANK YOU

ACCOUNT BILLED
KAIBAB INDUSTRIES

PROJECT NAME
KAIBAB GOLD - MILLSITE

PROJECT ID
S170038

DUE DATE
03/08/2007

ANNUAL FEE
\$ 150

AMOUNT DUE
\$ 150

<input type="checkbox"/> FEE NOT ENCLOSED

Request inspection to
close permit (site/bond
release application
attached).

DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

<i>Change of Address</i>	
Contact	✓
Address	RECEIVED
FEB 01 2007	
E-Mail Address	Div. of Oil, Gas & Mining
State	Zip
Phone	

Please make check payable to:
Division of Oil, Gas and Mining



VENDOR NUMBER 879590

CHECK NUMBER 248233

50170038

INVOICE DATE	INVOICE NUMBER	VOUCHER NUMBER	INVOICE AMOUNT	DISCOUNT	NET AMOUNT
01/29/07	5170038	90109	150.00	0.00	150.00
<i>original check given to V. Bailey</i>			TOTALS	150.00	0.00
					150.00

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FEB 01 2007
DIV. OF OIL, GAS & MINING

PRECISION BUSINESS FORMS 602-254-6655

THIS DOCUMENT HAS LINEMARK™ LINES IN THE PAPER • HOLD TO LIGHT TO VIEW.

VENDOR NUMBER 879590

THE STOCKMEN'S BANK 91-504
PAYSON BRANCH 1221
816 S. BEELINE HWY
PAYSON, AZ 85541

CHECK NUMBER 248233

VOID AFTER 90 DAYS

DEDICATED TO
EXCELLENCECHECK DATE
01/29/07CHECK AMOUNT
\$150.00

2999 N. 44th Street
Suite 425
Phoenix, AZ 85018-7279
(602) 840-5555

***One Hundred Fifty & No/100 Dollars

PAY TO THE ORDER OF
STATE OF UTAH div Oil, Gas & Mining
PO BOX 145801
DEPT OF NATURAL RESOURCE
SALT LAKE CITY, UT 84114-5801

KAIBAB INDUSTRIES, INC.

BY

SECURITY FEATURES INCLUDED. DETAILS ON BACK.